

PRELIMINARY DRAFT

TEXAS LEGISLATIVE COUNCIL  
Special District Local  
Laws Code  
Chapter 5012  
11/1/18

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25		SUBCHAPTER A. GENERAL PROVISIONS	
26		<u>Revised Law</u>	
27	Sec. 5012.0001.	DEFINITIONS. In this chapter:	
28	(1)	"Authority" means the Sabine Pass Port Authority.	
29	(2)	"Commission" means the authority's port	
30		commission.	
31	(3)	"Commissioner" means a commission member. (Acts	
32		63rd Leg., R.S., Ch. 379, Secs. 1 (part), 2 (part).)	
33		<u>Source Law</u>	
34	Sec. 1.	. . . [a port district] to be known as	

1 the Sabine Pass Port Authority, . . . .

2 Sec. 2. As used herein:

3 (1) "Authority" means the Sabine Pass Port  
4 Authority.

5 (2) "Commission" means the port commission  
6 of the authority, . . . .

7 (3) "Commissioner" means a member of the  
8 commission.

9 Revised Law

10 Sec. 5012.0002. LEGISLATIVE FINDINGS OF PURPOSE AND  
11 BENEFIT. (a) The authority is a port district essential to  
12 accomplish the purposes of Section 59, Article XVI, Texas  
13 Constitution.

14 (b) All territory in the authority benefits from the  
15 authority's improvements, works, and facilities. (Acts 63rd Leg.,  
16 R.S., Ch. 379, Sec. 1 (part).)

17 Source Law

18 Sec. 1. There is hereby created, in addition to  
19 the districts into which the state has heretofore been  
20 divided, a port district [to be known as the Sabine  
21 Pass Port Authority] . . . the creation of such  
22 district is hereby determined to be essential to the  
23 accomplishment of the purposes of Article XVI, Section  
24 59, of the Texas Constitution. . . . It is hereby found  
25 that all territory within the boundaries of the Sabine  
26 Pass Port Authority as enlarged is and will be  
27 benefited by the present and contemplated  
28 improvements, works, and facilities of said authority.  
29 . . .

30 Revisor's Note

31 (1) Section 1, Chapter 379, Acts of the 63rd  
32 Legislature, Regular Session, 1973, provides that the  
33 authority "is hereby created." The revised law omits  
34 the quoted language as executed.

35 (2) Section 1, Chapter 379, Acts of the 63rd  
36 Legislature, Regular Session, 1973, states that the  
37 authority is created "in addition to the districts  
38 into which the state has heretofore been divided." The  
39 revised law omits the quoted language because an  
40 accepted general principle of statutory construction  
41 requires that a statute be given cumulative effect  
42 with other statutes unless the statute provides  
43 otherwise or unless the statute conflicts with another

1 statute.

2 (3) Section 1, Chapter 379, Acts of the 63rd  
3 Legislature, Regular Session, 1973, provides that the  
4 authority is a governmental agency and body politic  
5 and corporate with the powers of government. The  
6 revised law omits that provision because it duplicates  
7 a portion of Section 59(b), Article XVI, Texas  
8 Constitution, which provides that a district created  
9 under that section is a governmental agency and a body  
10 politic and corporate with governmental powers  
11 conferred by law. The omitted law reads:

12 Sec. 1. . . . Such district shall be  
13 and is hereby declared to be a governmental  
14 agency and body politic and corporate with  
15 the powers of government and . . . .

16 (4) Section 1, Chapter 379, Acts of the 63rd  
17 Legislature, Regular Session, 1973, states that all  
18 territory inside the authority is benefited by the  
19 authority's "present and contemplated" improvements,  
20 works, and facilities. The revised law omits "present  
21 and contemplated" as unnecessary in this context  
22 because the phrase does not add to the clear meaning of  
23 the law.

24 (5) Section 1, Chapter 379, Acts of the 63rd  
25 Legislature, Regular Session, 1973, as amended by  
26 Section 1, Chapter 56, Acts of the 67th Legislature,  
27 Regular Session, 1981, provides that the territory  
28 included in the authority "as enlarged" is and will be  
29 benefited by the authority's improvements, works, and  
30 facilities. The revised law omits the quoted language  
31 as executed.

32 Revised Law

33 Sec. 5012.0003. AUTHORITY TERRITORY. The authority is  
34 composed of the territory in Jefferson County described by Section  
35 1, Chapter 379, Acts of the 63rd Legislature, 1973, as that

territory may have been modified under:

- (1) Subchapter H, Chapter 62, Water Code; or
- (2) other law. (Acts 63rd Leg., R.S., Ch. 379, Sec. 1 (part); New.)

Source Law

Sec. 1. . . . [the Sabine Pass Port Authority,]  
with boundaries as hereinafter set out. . . . in  
Jefferson County, Texas, . . . .

Revisor's Note

The revised law does not revise the statutory language describing the territory of the district by metes and bounds to avoid the lengthy recitation of the description and because that description may not be accurate on the effective date of the revision or at the time of a later reading. For the reader's convenience, the revised law includes a reference to the statutory description of the district's territory. The revised law also includes a reference to authority to change the district's territory under Subchapter H, Chapter 62, Water Code. Chapter 62 applies to the district under Section 3, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, revised in part in this chapter as Section 5012.0101. The revised law also includes a reference to the general authority of the legislature to enact other laws to change the district's territory.

Revisor's Note  
(End of Subchapter)

Section 1, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, which describes the authority's territory, was amended in 1981 by Chapter 56, Acts of the 67th Legislature, Regular Session, to include additional territory and to authorize the commission to hold an election or elections to approve the assumption of the authority's

1 tax-supported bonds by, and the imposition of an ad  
2 valorem maintenance tax in, the authority as enlarged  
3 by Chapter 56. The revised law omits the provisions  
4 relating to the bond and tax elections as executed.  
5 The omitted law reads:

6           Sec. 1. . . . Further, the governing  
7 body of said authority is authorized to call  
8 an election or elections over the entire  
9 authority as enlarged for the purpose of  
10 determining (1) whether the entire  
11 authority as enlarged shall assume the  
12 tax-supported bonds of the authority then  
13 outstanding and whether an ad valorem tax  
14 shall be levied on all taxable property  
15 within the authority as enlarged for the  
16 payment thereof, and (2) whether an ad  
17 valorem maintenance tax (for the  
18 maintenance, operation, and upkeep of the  
19 authority and its facilities), in such  
20 amount as is specified by the governing body  
21 of the authority, shall be levied on all  
22 taxable property within the authority as  
23 enlarged. Said election or elections shall  
24 be called and held, and notice thereof  
25 given, in the same manner (to the extent  
26 pertinent) as elections for the issuance of  
27 tax-supported bonds as provided in this  
28 Act, and if either or both of such  
29 propositions should carry, the governing  
30 body of the authority shall be authorized to  
31 levy and collect such bond tax and/or  
32 maintenance tax as voted.

33           SUBCHAPTER B. AUTHORITY ADMINISTRATION

34                           Revised Law

35           Sec. 5012.0051. COMMISSION; TERMS; ELECTION. (a) The  
36 authority is governed by a commission composed of five elected  
37 commissioners.

38           (b) Commissioners serve staggered two-year terms, with two  
39 commissioners elected in each even-numbered year and three  
40 commissioners elected in each odd-numbered year.

41           (c) The commission:

42                   (1) is the authority's governing body; and

43                   (2) has the powers conferred on navigation and canal  
44 commissioners of navigation districts and the commissioners court  
45 by the Water Code. (Acts 63rd Leg., R.S., Ch. 379, Secs. 2(2)  
46 (part), 4 (part), 5 (part).)

## Source Law

[Sec. 2]

(2) ["Commission" means the port commission of the authority,] which shall be its governing body.

Sec. 4. The management and control of the authority is hereby vested in the commission, which shall, after the first election held hereunder, be composed of five commissioners, each elected to serve for the term of two years, . . . . The commission shall have and may exercise, in addition to the powers and functions set out in this Act, the powers and authority conferred upon navigation and canal commissioners of navigation districts and the county commissioners court by the Water Code, but . . . .

Sec. 5. [An election shall be held in the authority . . . for the election of commissioners.] . . . two commissioners shall be elected in even years and three in odd years, in continuing sequence. . . .

## Revisor's Note

(1) Section 4, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, provides that "management and control of the authority is hereby vested in" the commission. The revised law substitutes "is governed by" for the quoted language because in context the phrases have the same meaning and the latter phrase is more consistent with modern usage.

(2) Section 4, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, provides that "after the first election held hereunder" the commission is composed of five commissioners. The revised law omits the quoted language as executed.

(3) Section 4, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, provides that the commission "shall have and may exercise" certain powers. Throughout this chapter, the revised law substitutes "may" for "shall have and may exercise" or other similar language because, in context, the language is synonymous and "may" is more commonly used.

(4) Section 4, Chapter 379, Acts of the 63rd

1       Legislature, Regular Session, 1973, gives the  
2       commission certain powers that are "in addition to the  
3       powers and functions set out in this Act." The revised  
4       law omits the quoted language because the powers and  
5       functions to which it refers are expressly set forth in  
6       other sections of this chapter and a general reference  
7       to them is unnecessary.

8               (5) Section 4, Chapter 379, Acts of the 63rd  
9       Legislature, Regular Session, 1973, provides that in  
10      the event of a conflict the act prevails over certain  
11      provisions of general law. The revised law omits that  
12      provision because it duplicates in substance Section  
13      311.026(b), Government Code (Code Construction Act).  
14      The omitted law reads:

15                   Sec. 4. . . . in case of any  
16                   conflict, the provisions of this Act shall  
17                   prevail.

18               (6) Section 5, Chapter 379, Acts of the 63rd  
19      Legislature, Regular Session, 1973, provides that  
20      commissioners' elections are held on the first  
21      Saturday in April of each year. The revised law omits  
22      that provision as impliedly repealed by Chapter 14,  
23      Acts of the 69th Legislature, 3rd Called Session,  
24      1986, which amended Section 41.001, Election Code, to  
25      prescribe certain uniform election dates. Section 37  
26      of that act required a political subdivision that held  
27      its general election of officers on a uniform election  
28      date in April to hold that election on a uniform  
29      election date in May or to choose a different uniform  
30      election day on which to hold the election. The  
31      omitted law reads:

32                   Sec. 5. An election shall be held in  
33                   the authority on the first Saturday in April  
34                   of each year for the election of  
35                   commissioners. . . .



1                                    Revised Law

2            Sec. 5012.0052. QUALIFICATIONS        FOR        OFFICE.            Each  
3 commissioner must:  
4            (1)    be a resident of the authority;  
5            (2)    own taxable property in the authority; and  
6            (3)    be a qualified voter. (Acts 63rd Leg., R.S., Ch.  
7 379, Sec. 4 (part).)

8                                    Source Law

9            Sec. 4. . . . [five commissioners] . . . each  
10 of whom shall be a resident of the authority, own  
11 taxable property within the boundaries of the  
12 authority, and be a qualified elector. . . .

13                                   Revisor's Note

14            Section 4, Chapter 379, Acts of the 63rd  
15 Legislature, Regular Session, 1973, provides that a  
16 commissioner must be a qualified "elector." The  
17 revised law substitutes "voter" for "elector" because  
18 the former is the term used in the Election Code.

19                                   Revised Law

20            Sec. 5012.0053. NOTICE OF COMMISSIONERS' ELECTION. Notice  
21 of a commissioner's election shall be given by publishing notice  
22 once each week for two consecutive weeks in a newspaper with general  
23 circulation in the authority, with the first publication being made  
24 not earlier than the 60th day before the date of the election, and  
25 not later than the 21st day before the date of the election. (Acts  
26 63rd Leg., R.S., Ch. 379, Sec. 5 (part).)

27                                   Source Law

28            Sec. 5. . . .  
29            Notice of the election shall be given by  
30 publishing notice once each week for two consecutive  
31 weeks in a newspaper with general circulation in the  
32 district, the first such notice to be published not  
33 more than 60 nor less than 21 days prior to the date of  
34 the election. . . .

35                                   Revisor's Note

36            Section 5, Chapter 379, Acts of the 63rd  
37 Legislature, Regular Session, 1973, refers to the  
38 authority as a "district." For consistency throughout

1       this chapter, the revised law substitutes "authority"  
2       for "district."

3                               Revised Law

4       Sec. 5012.0054. ELECTION RESULTS. As soon as practicable  
5 after each election held by the authority, the commission shall  
6 declare the results of the election. (Acts 63rd Leg., R.S., Ch.  
7 379, Sec. 6 (part).)

8                               Source Law

9               Sec. 6. . . .  
10              As soon as practicable after each election held  
11 by the authority, the commission shall meet to canvass  
12 the returns and declare the results of the election.  
13 . . .

14                              Revisor's Note

15              Section 6, Chapter 379, Acts of the 63rd  
16 Legislature, Regular Session, 1973, requires the  
17 commission to "canvass the returns" of each election  
18 held by the authority. The revised law omits that  
19 requirement because it duplicates in substance Section  
20 67.002, Election Code, which requires the governing  
21 body of a political subdivision that orders an  
22 election to canvass the returns.

23                              Revised Law

24       Sec. 5012.0055. COMMISSIONERS' OATH AND BOND. (a) Each  
25 commissioner shall:

26              (1) take an oath of office that contains the  
27 applicable provisions provided by law for members of the  
28 commissioners court; and

29              (2) execute a bond for \$10,000 payable to the  
30 authority, conditioned on the faithful performance of the  
31 commissioner's duties as a commissioner.

32              (b) A commissioner's bond must be approved by the  
33 commission. (Acts 63rd Leg., R.S., Ch. 379, Sec. 6 (part).)

34                              Source Law

35              Sec. 6. Each commissioner shall take an oath of  
36 office containing the applicable provisions provided  
37 by law for members of the commissioners court and shall

1 execute a bond for \$10,000, payable to the authority,  
2 conditioned on the faithful performance of his duties,  
3 which bond shall be approved by the commission. . . .

4 Revised Law

5 Sec. 5012.0056. VOTING REQUIREMENT. The concurrence of a  
6 majority of the commissioners present at a meeting where a quorum is  
7 present is sufficient in any matter relating to authority business.  
8 (Acts 63rd Leg., R.S., Ch. 379, Sec. 6 (part).)

9 Source Law

10 Sec. 6. . . . the concurrence of a majority of  
11 those commissioners present at any meeting where a  
12 quorum is present shall be sufficient in all matters  
13 relating to the business of the authority. . . .

14 Revisor's Note

15 Section 6, Chapter 379, Acts of the 63rd  
16 Legislature, Regular Session, 1973, provides that a  
17 majority of the commission constitutes a quorum. The  
18 revised law omits that provision because it duplicates  
19 in substance Section 311.013, Government Code (Code  
20 Construction Act), which provides that a quorum of a  
21 public body is a majority of the number of members  
22 fixed by statute. The omitted law reads:

23 Sec. 6. . . . A majority of the  
24 commissioners shall constitute a quorum and  
25 . . . .

26 Revised Law

27 Sec. 5012.0057. OFFICERS. (a) As soon as practicable after  
28 each election of commissioners, the commission shall elect one  
29 commissioner presiding officer and one commissioner secretary.

30 (b) The presiding officer shall preside at commission  
31 meetings.

32 (c) The secretary shall be responsible for maintaining and  
33 preserving the minutes, records, and other documents of the  
34 authority.

35 (d) The commission may select other officers and prescribe  
36 their duties. (Acts 63rd Leg., R.S., Ch. 379, Sec. 6 (part).)

37 Source Law

38 Sec. 6. . . . As soon as practicable after each

1 election of commissioners the commission shall elect  
2 one of its members chairman, who shall preside at  
3 meetings of the commission, and one of its members  
4 secretary, who shall be responsible for maintaining  
5 and preserving the minutes, records, and other  
6 documents of the authority. The commission may from  
7 time to time select other officers and prescribe their  
8 duties.

9 . . .

10 Revisor's Note

11 (1) Section 6, Chapter 379, Acts of the 63rd  
12 Legislature, Regular Session, 1973, refers to the  
13 "chairman" of the authority. The revised law  
14 substitutes "presiding officer" for "chairman"  
15 because, in context, the terms are synonymous and the  
16 former is more commonly used and is gender neutral.

17 (2) Section 6, Chapter 379, Acts of the 63rd  
18 Legislature, Regular Session, 1973, allows the  
19 commission to select officers "from time to time." The  
20 revised law omits the quoted language because the  
21 power to take an action implies the power to do so at  
22 any time.

23 Revised Law

24 Sec. 5012.0058. COMPENSATION OF COMMISSIONERS; EXPENSES.

25 (a) Unless otherwise provided, each commissioner is entitled to  
26 receive a fee of not more than \$50 a day for each day of service  
27 necessary to discharge the duties of a commissioner.

28 (b) Each commissioner is entitled to reimbursement for  
29 actual expenses incurred on behalf of the authority and approved by  
30 the commission. (Acts 63rd Leg., R.S., Ch. 379, Sec. 6 (part).)

31 Source Law

32 Sec. 6. . . .

33 Each commissioner shall be entitled to receive a  
34 fee of not more than \$50 a day for each day of service  
35 necessary to the discharge of his duties, unless  
36 otherwise provided, and shall be entitled to  
37 reimbursement of any expenses actually incurred on  
38 behalf of the authority, upon approval by the  
39 commission.

40 Revisor's Note  
41 (End of Subchapter)

42 (1) Sections 4 and 5, Chapter 379, Acts of the

1 63rd Legislature, Regular Session, 1973, name the  
2 authority's initial commissioners and describe their  
3 terms of office. Section 5 also provides the manner in  
4 which the first commissioners' elections will be held  
5 under the act. Because the terms of office of the  
6 initial commissioners have expired and the first  
7 commissioners' elections have been held, the revised  
8 law omits the provisions as executed. The omitted law  
9 reads:

10           Sec. 4. . . . Until the first  
11 election held hereunder, James M. Dubose,  
12 Jerry Bourg, and R. J. Louviere, who are the  
13 present commissioners, shall constitute the  
14 commission. . . .

15           Sec. 5. . . . The three  
16 commissioners named above shall continue to  
17 serve until the election to be held in  
18 April, 1981. At the election to be held on  
19 April 5, 1980, two additional commissioners  
20 shall be elected to serve for a term of two  
21 years. Thereafter, on election day in  
22 April, 1981, three commissioners shall be  
23 elected and in subsequent years . . . .

24           (2) Section 5, Chapter 379, Acts of the 63rd  
25 Legislature, Regular Session, 1973, states that a  
26 commissioners' election is held in accordance with the  
27 Election Code, except as provided by that act. The  
28 revised law omits the phrase "except as otherwise  
29 provided in this Act" because an exception to the  
30 application of the Election Code would apply by its own  
31 terms. The revised law omits the reference to the  
32 Election Code because Section 1.002, Election Code,  
33 provides that the Election Code applies to all  
34 elections held in this state. The omitted law reads:

35           Sec. 5. . . . Conduct of the  
36 election will be in accordance with the  
37 provisions of the Texas Election Code  
38 except as otherwise provided in this Act.  
39 . . .

40           (3) Section 5, Chapter 379, Acts of the 63rd  
41 Legislature, Regular Session, 1973, states that a  
42 candidate for commissioner must file a ballot

1 application with the commission secretary that  
2 includes the candidate's signature or the signatures  
3 of at least 10 qualified voters and prescribes a  
4 deadline for filing the application. The revised law  
5 omits the requirement to file the application with the  
6 commission secretary because it duplicates in  
7 substance Sections 144.003 and 144.004, Election Code.  
8 The revised law omits the signature requirement  
9 because it is superseded by Section 141.031, Election  
10 Code. In addition, the revised law omits the filing  
11 deadline because it is superseded by Section 144.005,  
12 Election Code. Section 1.002, Election Code, provides  
13 that the Election Code applies to all elections held in  
14 this state and supersedes conflicting statutes unless  
15 the code or other statute expressly provides  
16 otherwise. The omitted law reads:

17           Sec. 5. . . . Any candidate for the  
18           office of commissioner shall file an  
19           application to have his name printed on the  
20           ballot with the secretary of the  
21           commission, signed by the candidate or at  
22           least 10 qualified voters, not less than 35  
23           days prior to the election.

24           (4) Section 6, Chapter 379, Acts of the 63rd  
25           Legislature, Regular Session, 1973, describes the  
26           procedure for filling a commission vacancy. The  
27           revised law omits the provision because it duplicates  
28           in substance Section 62.066, Water Code. Throughout  
29           this chapter, the revised law omits law that is  
30           superseded by Chapter 62, Water Code, or that  
31           duplicates law contained in that chapter. Chapter 62  
32           applies to the authority under Section 3 of Chapter  
33           379, revised in part in this chapter as Section  
34           5012.0101. The omitted law reads:

35           Sec. 6. . . . A vacancy in the  
36           office of commissioner shall be filled by  
37           appointment by the commission for the  
38           unexpired term.  
39           . . .

1 SUBCHAPTER C. POWERS AND DUTIES

2 Revised Law

3 Sec. 5012.0101. GENERAL POWERS. The authority may  
4 exercise:

5 (1) the rights, privileges, and functions provided by  
6 this chapter; and

7 (2) all powers, rights, privileges, and functions  
8 conferred by Chapters 60 and 62, Water Code. (Acts 63rd Leg., R.S.,  
9 Ch. 379, Secs. 1 (part), 3 (part).)

10 Source Law

11 Sec. 1. . . . [Such district shall be . . . a  
12 governmental agency] . . . with the authority to  
13 exercise the rights, privileges, and functions  
14 hereinafter specified, and . . . .

15 Sec. 3. The authority shall have and is hereby  
16 authorized to exercise all powers, rights, privileges,  
17 and functions conferred by Chapters 60 and 62 of the  
18 Water Code. . . .

19 Revised Law

20 Sec. 5012.0102. POWERS REGARDING PORTS, WATERWAYS, AND  
21 FACILITIES. The authority may:

22 (1) acquire, take over, construct, maintain, repair,  
23 operate, develop, and regulate wharves, docks, warehouses, grain  
24 elevators, ship repair facilities, belt railways, lands, and all  
25 other facilities or aids consistent with or necessary for the  
26 operation or development of ports, waterways, or maritime commerce  
27 inside or outside the authority's boundaries; and

28 (2) construct, extend, improve, repair, maintain,  
29 reconstruct, own, use, and operate any facility necessary or  
30 convenient to the exercise of such powers, rights, privileges, and  
31 functions granted by this chapter. (Acts 63rd Leg., R.S., Ch. 379,  
32 Sec. 3 (part).)

33 Source Law

34 Sec. 3. . . . Without limitation of the  
35 generality of the foregoing, the authority shall have  
36 and is hereby authorized to exercise the following  
37 powers, rights, privileges, and functions:

38 (a) the right, power, and authority to acquire,  
39 purchase, take over, construct, maintain, repair,  
40 operate, develop, and regulate wharves, docks,

1 warehouses, grain elevators, ship repair facilities,  
2 belt railways, lands, and all other facilities or aids  
3 consistent with or necessary for the operation or  
4 development of ports, waterways, or maritime commerce  
5 within or without the boundaries of the authority,  
6 . . .

7 (b) to construct, extend, improve, repair,  
8 maintain, and reconstruct, or cause to be constructed,  
9 extended, improved, repaired, maintained, and  
10 reconstructed, and own, use, and operate any and all  
11 facilities of any kind necessary or convenient to the  
12 exercise of such powers, rights, privileges, and  
13 functions as are herein granted;  
14 . . .

#### 15 Revisor's Note

16 (1) Section 3, Chapter 379, Acts of the 63rd  
17 Legislature, Regular Session, 1973, states that,  
18 "[w]ithout limitation of the generality of the  
19 foregoing," the authority has certain powers.  
20 Throughout this chapter, the revised law omits the  
21 quoted language or similar language because it is an  
22 accepted general principle of statutory construction  
23 that a grant of a power does not act as a limitation.

24 (2) Section 3(a), Chapter 379, Acts of the 63rd  
25 Legislature, Regular Session, 1973, grants the  
26 authority the power to "acquire" and "purchase"  
27 certain property. The revised law omits the reference  
28 to "purchase" because "purchase" is included in the  
29 meaning of "acquire."

30 (3) Section 3(b), Chapter 379, Acts of the 63rd  
31 Legislature, Regular Session, 1973, provides that the  
32 authority may construct, extend, improve, repair,  
33 maintain, and reconstruct, "or cause to be  
34 constructed, extended, improved, repaired,  
35 maintained, and reconstructed" certain facilities.  
36 The revised law omits the quoted language as  
37 unnecessary because the grant of a power implies the  
38 authority to provide for the exercise of that power.  
39 In addition, the quoted language duplicates in  
40 substance Section 62.121, Water Code, which authorizes  
41 the authority to contract with any person to exercise



1 any authority power.

2 Revised Law

3 Sec. 5012.0103. BYLAWS AND RULES. The authority may adopt  
4 bylaws and rules for the management and regulation of its affairs.  
5 (Acts 63rd Leg., R.S., Ch. 379, Sec. 3 (part).)

6 Source Law

7 Sec. 3. . . . the authority shall have and is  
8 hereby authorized to exercise the following powers,  
9 rights, privileges, and functions:

10 . . .  
11 (e) to make bylaws, rules, and regulations for  
12 the management and regulation of its affairs;  
13 . . .

14 Revisor's Note

15 Section 3(e), Chapter 379, Acts of the 63rd  
16 Legislature, Regular Session, 1973, authorizes the  
17 authority to "make bylaws, rules, and regulations."  
18 The revised law substitutes "adopt" for "make"  
19 because, in context, the terms are synonymous and  
20 "adopt" is more commonly used. The revised law also  
21 omits the reference to "regulations" because under  
22 Section 311.005(5), Government Code (Code  
23 Construction Act), a rule is defined to include a  
24 regulation.

25 Revised Law

26 Sec. 5012.0104. GIFT OR PURCHASE OF PROPERTY. The  
27 authority by gift or purchase may acquire any property or any  
28 interest in property that is:

- 29 (1) inside or outside the authority's boundaries; and  
30 (2) necessary or convenient to exercising a power,  
31 right, privilege, or function conferred on the authority by this  
32 chapter. (Acts 63rd Leg., R.S., Ch. 379, Sec. 3 (part).)

33 Source Law

34 Sec. 3. . . . the authority shall have and is  
35 hereby authorized to exercise the following powers,  
36 rights, privileges, and functions:

37 . . .  
38 (i) to acquire by gift or purchase any and all  
39 properties of any kind, or any interest therein,  
40 within or outside of the boundaries of the authority

1 necessary to the exercise of the powers, rights,  
2 privileges, and functions conferred upon it by this  
3 Act, and . . . .

4 Revised Law

5 Sec. 5012.0105. EMINENT DOMAIN. (a) To exercise a power  
6 provided by law, the authority may exercise the power of eminent  
7 domain to acquire any property and any interest in property inside  
8 the authority's boundaries. The authority must exercise the power  
9 of eminent domain in the manner provided by Chapter 21, Property  
10 Code.

11 (b) The authority is a municipal corporation for the  
12 purposes of Section 21.021, Property Code.

13 (c) The authority is not required to give bond for appeal or  
14 bond for costs in any judicial proceeding related to the  
15 authority's exercise of eminent domain.

16 (d) The authority's authority to exercise the power of  
17 eminent domain expired on September 1, 2013, unless the authority  
18 submitted a letter to the comptroller in accordance with Section  
19 2206.101(b), Government Code, not later than December 31, 2012.  
20 (Acts 63rd Leg., R.S., Ch. 379, Secs. 3 (part), 11; New.)

21 Source Law

22 Sec. 3. . . . the authority shall have and is  
23 hereby authorized to exercise the following powers,  
24 rights, privileges, and functions:

25 . . .  
26 (i) [to acquire . . . any and all properties of  
27 any kind, or any interest therein,] . . . by  
28 condemnation within the boundaries of the authority in  
29 the manner provided by general law for condemnation by  
30 counties, provided that the authority shall not be  
31 required to give bond for appeal or bond for costs in  
32 any judicial proceedings; and  
33 . . .

34 Sec. 11. For the purpose of carrying out any  
35 power conferred by law on the authority, the authority  
36 shall have the right to acquire real property and any  
37 interest therein by condemnation in the manner  
38 provided by Title 52, Revised Civil Statutes of Texas,  
39 1925, as amended, relating to eminent domain. The  
40 authority is hereby declared to be a municipal  
41 corporation within the meaning of Article 3268 of said  
42 Title 52. The amount of and character of property or  
43 interest therein thus to be acquired shall be  
44 determined by the commissioners.

45 Revisor's Note

46 (1) Sections 3(i) and 11, Chapter 379, Acts of

1 the 63rd Legislature, Regular Session, 1973, provide  
2 that the authority may acquire certain property "by  
3 condemnation." The revised law substitutes for the  
4 quoted language "may exercise the power of eminent  
5 domain" because the phrases have the same meaning and  
6 the latter phrase is consistent with modern usage in  
7 laws relating to eminent domain.

8 (2) Section 3(i), Chapter 379, Acts of the 63rd  
9 Legislature, Regular Session, 1973, provides that the  
10 authority must exercise the power of eminent domain in  
11 the manner provided by "general law for condemnation  
12 by counties." The revised law substitutes for the  
13 quoted language a reference to Chapter 21, Property  
14 Code, because that is the general law governing  
15 eminent domain for governmental entities, including  
16 counties.

17 (3) Section 11, Chapter 379, Acts of the 63rd  
18 Legislature, Regular Session, 1973, refers to Title  
19 52, Revised Statutes. The relevant provisions of  
20 Title 52 were codified as Chapter 21, Property Code, by  
21 Chapter 576, Acts of the 68th Legislature, Regular  
22 Session, 1983. The revised law is drafted  
23 accordingly.

24 (4) Section 11, Chapter 379, Acts of the 63rd  
25 Legislature, Regular Session, 1973, refers to Article  
26 3268, Revised Statutes. The applicable part of that  
27 statute was codified as Section 21.021, Property Code,  
28 by Chapter 576, Acts of the 68th Legislature, Regular  
29 Session, 1983. The revised law is drafted  
30 accordingly.

31 (5) Sections 3 and 11, Chapter 379, Acts of the  
32 63rd Legislature, Regular Session, 1973, provided the  
33 authority limited eminent domain authority. Section  
34 2206.101, Government Code, required an entity with

1 eminent domain authority to submit a letter with  
2 certain information to the comptroller not later than  
3 December 31, 2012, to prevent the entity's eminent  
4 domain authority from expiring on September 1, 2013.  
5 To avoid the appearance that this revision recognizes  
6 authority that the authority may not possess at the  
7 time of the revision, the revised law includes a  
8 provision setting out the requirements of Section  
9 2206.101, Government Code.

10 Revised Law

11 Sec. 5012.0106. LEASE OF AUTHORITY FACILITIES. A lease  
12 under Section 60.101, Water Code, may contain any provision the  
13 commission determines is advantageous to the authority, including a  
14 provision for:

15 (1) the sale of a leased property at the termination of  
16 the lease; and

17 (2) the management and operation of a leased property  
18 by the lessee. (Acts 63rd Leg., R.S., Ch. 379, Sec. 3 (part).)

19 Source Law

20 Sec. 3. . . . the authority shall have and is  
21 hereby authorized to exercise the following powers,  
22 rights, privileges, and functions:

23 . . .  
24 (j) [to lease . . . any facilities . . . as  
25 provided by Section 60.101, Water Code,] said lease to  
26 contain such terms and provisions (including, but not  
27 by way of limitation, provisions to sell the leased  
28 properties at the termination of said lease and  
29 provisions relating to management and operation of  
30 said properties by the lessee thereof) as the  
31 commission may determine to be advantageous to the  
32 authority. . . .

33 Revisor's Note

34 (1) Section 3(j), Chapter 379, Acts of the 63rd  
35 Legislature, Regular Session, 1973, provides that the  
36 authority may lease an authority facility as provided  
37 by Section 60.101, Water Code. The revised law omits  
38 the provision because it duplicates in substance  
39 Section 60.101, Water Code. Throughout this chapter,  
40 the revised law omits law that is superseded by Chapter

1       60, Water Code, or that duplicates law contained in  
2       that chapter. Chapter 60, Water Code, applies to the  
3       authority under Section 3 of Chapter 379, revised in  
4       part in this chapter as Section 5012.0101. The omitted  
5       law reads:

6               Sec. 3. . . . [the authority shall  
7       have and is hereby authorized to exercise  
8       the following powers, rights, privileges,  
9       and functions:]

10               (j) to lease to any person, firm,  
11       corporation, partnership, political  
12       subdivision of the State of Texas, or agency  
13       of the United States of America, all or any  
14       part of any facilities heretofore or  
15       hereafter constructed or otherwise acquired  
16       by it, as provided by Section 60.101, Water  
17       Code, . . . .  
18

19       (2) Section 3(j), Chapter 379, Acts of the 63rd  
20       Legislature, Regular Session, 1973, refers to "terms  
21       and provisions." The revised law omits the reference  
22       to "terms" because "terms" is included in the meaning  
23       of "provisions."

24       (3) Section 3(j), Chapter 379, Acts of the 63rd  
25       Legislature, Regular Session, 1973, refers to lease  
26       provisions, "including, but not by way of limitation,"  
27       certain provisions advantageous to the authority. The  
28       revised law omits "but not by way of limitation"  
29       because Section 311.005(13), Government Code (Code  
30       Construction Act), applicable to the revised law,  
31       provides that "including" is a term of enlargement and  
32       not of limitation and does not create a presumption  
33       that components not expressed are excluded.

34                               Revised Law

35       Sec. 5012.0107. SALE OF SURPLUS PROPERTY. The commission  
36       may order authority property sold as provided in Section 60.101,  
37       Water Code, if the property is not considered reasonably required  
38       to carry out the authority's plans. (Acts 63rd Leg., R.S., Ch. 379,  
39       Sec. 3 (part).)

1                                    Source Law

2            Sec. 3. . . . the authority shall have and is  
3 hereby authorized to exercise the following powers,  
4 rights, privileges, and functions:

5            . . .  
6            (j) . . . Any property or land owned by the  
7 authority which may be found not to be reasonably  
8 required to carry out the plans of the authority may be  
9 sold by order of the commission as provided in Section  
10 60.101, Water Code.

11                                   Revisor's Note

12            Section 3, Chapter 379, Acts of the 63rd  
13 Legislature, Regular Session, 1973, refers to  
14 "property or land" owned by the authority. The revised  
15 law omits the reference to "land" because under  
16 Section 311.005(4), Government Code (Code  
17 Construction Act), the definition of "property"  
18 includes real property, and "land" is included in the  
19 meaning of real property.

20                                   Revised Law

21            Sec. 5012.0108. GENERAL AUTHORITY TO MAKE CONTRACTS AND  
22 EXECUTE INSTRUMENTS. The authority may make a contract or execute  
23 an instrument necessary or convenient to exercising a power, right,  
24 privilege, or function conferred on the authority by this chapter.  
25 (Acts 63rd Leg., R.S., Ch. 379, Sec. 3 (part).)

26                                   Source Law

27            Sec. 3. . . . the authority shall have and is  
28 hereby authorized to exercise the following powers,  
29 rights, privileges, and functions:

30            . . .  
31            (g) to make contracts and execute instruments  
32 necessary or convenient to the exercise of the powers,  
33 rights, privileges, and functions conferred upon it by  
34 this Act;  
35            . . .

36                                   Revised Law

37            Sec. 5012.0109. COMPETITIVE BIDDING FOR CERTAIN CONTRACTS.  
38 (a) Before the commission enters into a contract for the  
39 expenditure of an amount of \$25,000 or more, the authority shall  
40 submit the proposed contract for competitive bids as provided by  
41 this section.  
42            (b) The commission shall publish notice of the time and

1 place for the opening of sealed bids on a contract described by  
2 Subsection (a) in one or more newspapers of general circulation in  
3 this state, one of which must be a newspaper published in Jefferson  
4 County. The notice must be published once a week for two  
5 consecutive weeks, with the first publication being made not later  
6 than the 14th day before the date set for the opening of bids.

7 (c) The commission may reject any bid submitted under this  
8 section, but if the commission accepts a bid, the bid must be the  
9 lowest and best bid received.

10 (d) This section does not apply to:

11 (1) improvements performed by the United States;

12 (2) emergencies that require immediate action to  
13 protect persons or property;

14 (3) necessary emergency repairs to authority  
15 property; or

16 (4) contracts for personal or professional services or  
17 work done by the authority and paid for by the day as the work  
18 progresses. (Acts 63rd Leg., R.S., Ch. 379, Sec. 9.)

19 Source Law

20 Sec. 9. Before the commission enters into a  
21 contract requiring the expenditure of \$25,000 or more,  
22 it shall submit the proposed contract for competitive  
23 bids. Notice of the time and place for the opening of  
24 sealed bids on such contract shall be published in one  
25 or more newspapers of general circulation in the  
26 state, one of which shall be a newspaper published in  
27 Jefferson County, Texas. Such notice shall be  
28 published once a week for two consecutive weeks, with  
29 the first publication being made at least 14 days  
30 before the date set for the opening of bids. The  
31 commission may reject any and all bids, but if a bid is  
32 accepted it shall be the lowest and best bid received.

33 The provisions of this section do not apply to:

34 (1) improvements carried out and performed  
35 by the United States;

36 (2) calamities or emergencies which make  
37 it necessary to act at once to protect persons or  
38 property;

39 (3) necessary emergency repairs to the  
40 property of the authority; or

41 (4) contracts for personal or professional  
42 services or work done by the authority and paid for by  
43 the day as the work progresses.

44 Revisor's Note

45 (1) Section 9, Chapter 379, Acts of the 63rd

Legislature, Regular Session, 1973, refers to improvements "carried out and performed" by the United States. The revised law omits "carried out" because "carried out" is included in the meaning of "performed."

(2) Section 9, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, refers to "calamities or emergencies." The revised law omits "calamities" because "calamities" is included in the meaning of "emergencies."

#### Revised Law

Sec. 5012.0110. OFFICERS, AGENTS, AND EMPLOYEES. The authority may employ, prescribe the duties of, and set the compensation of officers, agents, and employees. (Acts 63rd Leg., R.S., Ch. 379, Sec. 3 (part).)

#### Source Law

Sec. 3. . . . the authority shall have and is hereby authorized to exercise the following powers, rights, privileges, and functions:

(f) to employ officers, agents, and employees, to prescribe their duties, and to fix their compensation;

. . .

#### Revisor's Note

Section 3(f), Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, provides that the authority has the authority to "fix" the compensation of officers, agents, and employees. Throughout this chapter, in this and similar contexts, the revised law substitutes "set" for "fix" because the terms are synonymous in these contexts and "set" is more commonly used.

#### Revised Law

Sec. 5012.0111. SEAL. The authority may adopt and use a corporate seal. (Acts 63rd Leg., R.S., Ch. 379, Sec. 3 (part).)



1                                    Source Law

2            Sec. 3. . . . the authority shall have and is  
3 hereby authorized to exercise the following powers,  
4 rights, privileges, and functions:

5            . . .  
6            (d) to adopt, use, and alter a corporate seal;  
7            . . .

8                                    Revisor's Note

9            Section 3(d), Chapter 379, Acts of the 63rd  
10 Legislature, Regular Session, 1973, authorizes the  
11 authority to "adopt" and "alter" a corporate seal. The  
12 revised law omits the reference to altering a seal  
13 because the authority to adopt a seal includes the  
14 authority to alter it.

15                                   Revised Law

16            Sec. 5012.0112. AUTHORITY TO SUE AND BE SUED. The authority  
17 may sue and be sued in its corporate name. (Acts 63rd Leg., R.S.,  
18 Ch. 379, Sec. 3 (part).)

19                                   Source Law

20            Sec. 3. . . . the authority shall have and is  
21 hereby authorized to exercise the following powers,  
22 rights, privileges, and functions:

23            . . .  
24            (c) to sue and be sued in its corporate name;  
25            . . .

26                                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27                                   Revised Law

28            Sec. 5012.0151. MAINTENANCE AND OPERATIONS TAX. The  
29 commission may impose an annual tax for the maintenance and  
30 operation of the authority and the authority's improvements at a  
31 rate not to exceed 20 cents for each \$100 valuation of taxable  
32 property in the authority. (Acts 63rd Leg., R.S., Ch. 379, Sec. 10  
33 (part).)

34                                   Source Law

35            Sec. 10. With the approval of the electors of  
36 the authority, the commission may levy and have  
37 assessed and collected for the maintenance, operation,  
38 and upkeep of the authority and its improvements an  
39 annual tax of not more than 20 cents on the \$100  
40 valuation of all taxable property in the authority;  
41 . . . .

Revisor's Note

(1) Section 10, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, authorizes the commission to levy, assess, and collect a maintenance and operations tax if the tax is approved by the authority's voters. The revised law codifies the provisions authorizing the commission to levy, assess, and collect the tax but omits as executed the provisions relating to the election to approve the tax because the election has been held and the levy, assessment, and collection of the tax has been approved.

(2) Section 10, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, provides that the commission "may levy and have assessed and collected" a maintenance and operations tax. The revised law substitutes "impose" for the quoted language because "impose" is the term generally used in Title 1, Tax Code, and includes the levy, assessment, and collection of a maintenance and operations tax.

(3) Section 10, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, refers to a tax for the "maintenance, operation, and upkeep" of the authority. The revised law omits "upkeep" because "upkeep" is included within the meaning of "maintenance."

(4) Section 10, Chapter 379, Acts of the 63rd Legislature, Regular Session, 1973, as amended by Chapter 812, Acts of the 66th Legislature, Regular Session, 1979, contains transition language regarding the commission's continuing authority to impose a maintenance and operations tax in the authority that was authorized by the authority's voters before the passage of the 1979 act. The revised law omits the

1 language as executed. The omitted law reads:

2           Sec. 10. . . . provided that the  
3 present maintenance tax of 20 cents on the  
4 \$100 valuation on all taxable property in  
5 the authority as previously voted in the  
6 authority shall remain in full force and  
7 effect and may be assessed, levied, and  
8 collected.

9                           Revised Law

10           Sec. 5012.0152. TAX ASSESSOR AND COLLECTOR. (a) The  
11 commission shall appoint a tax assessor and collector.

12           (b) The tax assessor and collector shall execute a bond in  
13 an amount set by the commission that is:

14                   (1) at least twice the average daily balance of the  
15 authority in its depository for the preceding year; and

16                   (2) not more than the estimated amount of revenues of  
17 the authority for any year. (Acts 63rd Leg., R.S., Ch. 379, Sec.  
18 7.)

19                           Source Law

20           Sec. 7. The commission shall appoint a tax  
21 assessor and collector, who shall execute a bond in an  
22 amount fixed by the commission, which amount shall be  
23 not less than twice the average daily balance of the  
24 authority in its depository for the preceding year nor  
25 more than the estimated amount of revenues of the  
26 authority for any one year.

27                           Revised Law

28           Sec. 5012.0153. AUTHORITY TO BORROW MONEY, ACCEPT GRANTS,  
29 AND ISSUE ASSOCIATED REVENUE BONDS. The authority may:

30                   (1) borrow money for the authority's corporate  
31 purposes consistent with the constitution, this chapter, and  
32 Chapters 60-63, Water Code;

33                   (2) borrow money or accept a grant from the United  
34 States or from a corporation or agency created or designated by the  
35 United States and, in connection with the loan or grant, enter into  
36 any agreement the United States or the corporation or agency may  
37 require; and

38                   (3) make and issue bonds for money borrowed, in the  
39 manner provided by this chapter. (Acts 63rd Leg., R.S., Ch. 379,  
40 Sec. 3 (part).)



1 Water Code, which requires bonds secured by taxes to be  
2 authorized at an election held for that purpose. The  
3 omitted law reads:

4 Sec. 3. . . .  
5 (h) . . . Nothing in this Act shall  
6 authorize the issuance of any bonds of the  
7 authority payable from taxation, unless  
8 such proposition shall first be submitted  
9 to the qualified voters of the authority and  
10 the proposition adopted by a majority vote  
11 of those voting at the election;  
12 . . .

13 Revised Law

14 Sec. 5012.0154. AUTHORITY TO BORROW MONEY FOR CURRENT  
15 EXPENSES; EVIDENCE OF OBLIGATION. (a) The authority may:

16 (1) borrow money for current expenses; and

17 (2) evidence the borrowed money by warrants.

18 (b) The total amount of the warrants may not exceed the  
19 anticipated revenue. (Acts 63rd Leg., R.S., Ch. 379, Sec. 3  
20 (part).)

21 Source Law

22 Sec. 3. . . . the authority shall have and is  
23 hereby authorized to exercise the following powers,  
24 rights, privileges, and functions:

25 (a) . . . the authority shall have the right to  
26 borrow funds for current expenses and to evidence the  
27 same by warrants, but such warrants shall never exceed  
28 the anticipated revenues and . . .

29 Revisor's Note

30 (1) Section 3(a), Chapter 379, Acts of the 63rd  
31 Legislature, Regular Session, 1973, refers to the  
32 authority's right to borrow "funds." The revised law  
33 substitutes "money" for "funds" because, in context,  
34 the meaning is the same and "money" is the more  
35 commonly used term.

36 (2) Section 3(a), Chapter 379, Acts of the 63rd  
37 Legislature, Regular Session, 1973, provides that the  
38 authority's warrants may bear interest at a rate that  
39 does not exceed the maximum rate allowed under the  
40 constitution and general laws of this state. The  
41 revised law omits the provision as unnecessary. To the

1 extent the constitution or general laws of this state  
2 provide a maximum interest rate for the authority's  
3 warrants, those laws apply to the authority by their  
4 own terms. The omitted law reads:

5 Sec. 3. . . .  
6 (a) . . . [such warrants] . . . may  
7 bear interest not exceeding the maximum  
8 rate permitted by the constitution and  
9 general laws of the State of Texas;  
10 . . . .

11 SUBCHAPTER E. BONDS

12 Revised Law

13 Sec. 5012.0201. AUTHORITY TO ISSUE BONDS; ELECTION. (a)  
14 The authority may issue bonds for any corporate purpose.

15 (b) The authority may issue bonds for a purpose described by  
16 Section 5012.0102(1) or to acquire necessary or proper lands,  
17 rights of way, extension or improvements of belt railway lines, or  
18 construction or improvements of wharves, docks, ship repair  
19 facilities, or other facilities or aids to navigation.

20 (c) The authority may secure bonds issued under Subsection  
21 (b) by liens on properties acquired, constructed, or improved and  
22 pledge available revenues as additional security.

23 (d) An election to approve the issuance of bonds payable  
24 from taxes must be held in the manner provided for bond elections  
25 under Chapter 54, Water Code. (Acts 63rd Leg., R.S., Ch. 379, Secs.  
26 3 (part), 8 (part).)

27 Source Law

28 Sec. 3. . . . the authority shall have and is  
29 hereby authorized to exercise the following rights,  
30 powers, privileges, and functions:

31 (a) . . . in addition to the power to issue  
32 bonds for the purposes above enumerated, and for the  
33 purpose of acquiring necessary or proper lands,  
34 rights-of-way, extension or improvements of belt  
35 railway lines, or construction or improvements of  
36 wharves, docks, ship repair facilities, or other  
37 facilities or aids to navigation, and to secure such  
38 obligations by liens on properties acquired,  
39 constructed, or improved, and pledge available  
40 revenues as additional security, and . . . .

41 Sec. 8. The authority shall have power and is  
42 hereby authorized to issue, from time to time, bonds as  
43 herein authorized for any of its corporate purposes.  
44 . . . .

1           (c) . . . [provided that no bonds payable from  
2 taxes may be issued unless the same have been approved  
3 by a majority of the qualified voters in the authority  
4 voting at an election called and held for that purpose;  
5 and] each such bond election shall be called and held  
6 as prescribed for bond elections in Chapter 54, Water  
7 Code; . . . .

8                               Revisor's Note

9           (1) Section 3(a), Chapter 379, Acts of the 63rd  
10 Legislature, Regular Session, 1973, authorizes the  
11 authority to issue bonds "in addition to" other powers  
12 the authority has in that section. The revised law  
13 omits the quoted language as unnecessary because, as a  
14 principle of statutory construction, the various  
15 provisions granting power to the authority must be  
16 read cumulatively.

17           (2) Section 8, Chapter 379, Acts of the 63rd  
18 Legislature, Regular Session, 1973, permits the  
19 authority to issue bonds "from time to time." The  
20 revised law omits the quoted language for the reason  
21 stated in Revisor's Note (2) to Section 5012.0057.

22           (3) Section 8, Chapter 379, Acts of the 63rd  
23 Legislature, Regular Session, 1973, permits the  
24 authority to issue bonds "as herein authorized." The  
25 revised law omits the quoted language because, to the  
26 extent that other provisions of that act govern the  
27 issuance of bonds by the authority, those provisions  
28 apply to the issuance of authority bonds without an  
29 express reference to those provisions in this section.

30           (4) Section 8(c), Chapter 379, Acts of the 63rd  
31 Legislature, Regular Session, 1973, provides that  
32 authority bonds payable by taxes must be approved by  
33 the authority's voters at an election held for that  
34 purpose. The revised law omits that provision for the  
35 reason stated in Revisor's Note (2) to Section  
36 5012.0153. The omitted law reads:

37                               Sec. 8. . . .  
38                               (c) . . . provided that no bonds

1 payable from taxes may be issued unless the  
2 same have been approved by a majority of the  
3 qualified voters in the authority voting at  
4 an election called and held for that  
5 purpose; and . . . .

6 (5) Section 8(c), Chapter 379, Acts of the 63rd  
7 Legislature, Regular Session, 1973, provides that a  
8 bond election must be "called and held" in a specified  
9 manner. The revised law omits the reference to calling  
10 an election because, in context, calling an election  
11 is included in the meaning of "holding" an election.  
12 Under Chapter 3, Election Code, all elections must be  
13 ordered (called) before they may be held.

14 Revised Law

15 Sec. 5012.0202. FORM OF BONDS. Authority bonds must be:

16 (1) issued in the authority's name; and

17 (2) signed by the commission's presiding officer.

18 (Acts 63rd Leg., R.S., Ch. 379, Sec. 8 (part).)

19 Source Law

20 Sec. 8. . . . [All bonds issued by the authority  
21 pursuant to the provisions of this Act] . . . . All  
22 such bonds shall be issued in the name of the authority  
23 and shall be signed by the chairman of the commission,  
24 . . . .

25 Revisor's Note

26 (1) Section 8, Chapter 379, Acts of the 63rd  
27 Legislature, Regular Session, 1973, refers to the  
28 "chairman" of the commission. The revised law  
29 substitutes "presiding officer" for "chairman" for the  
30 reason stated in Revisor's Note (1) to Section  
31 5012.0057.

32 (2) Section 8, Chapter 379, Acts of the 63rd  
33 Legislature, Regular Session, 1973, provides that  
34 authority bonds must be authorized by commission  
35 resolution and must be attested by the secretary. The  
36 revised law omits those provisions because they  
37 duplicate in substance Section 60.033, Water Code. The  
38 omitted law reads:



1           Sec. 8. . . . All such bonds shall  
2           be authorized by resolution or resolutions  
3           of the commission, and . . . . [All such  
4           bonds shall be] . . . attested by the  
5           secretary, and . . . .

6           (3) Section 8, Chapter 379, Acts of the 63rd  
7           Legislature, Regular Session, 1973, provides that  
8           authority bonds must bear the seal of the district and  
9           authorizes facsimile signatures and seals. The  
10          revised law omits those provisions as unnecessary.  
11          The requirement that the bonds bear the seal of the  
12          authority was impliedly repealed by Section 3, Bond  
13          Procedures Act of 1981 (Article 717k-6, Vernon's Texas  
14          Civil Statutes) (revised in relevant part in 1999 as  
15          Section 1201.026(a), Government Code), which provides  
16          that bonds may be signed with or without a seal. The  
17          authorization for the use of printed signatures  
18          duplicates Section 1201.026(a), Government Code,  
19          which also provides that bonds and interest coupons  
20          may be executed with manual or facsimile signatures.  
21          The omitted law reads:

22                Sec. 8. . . . [All such bonds shall]  
23                . . . have the seal of the authority  
24                impressed thereon, provided that such  
25                signatures and seal may be by facsimile if  
26                the commission so directs. . . .

27                               Revised Law

28          Sec. 5012.0203. TERMS OF ISSUANCE. Authority bonds may be:

29                (1) sold for cash;

30                (2) issued on terms the commission determines in  
31          exchange for any property, or any interest in property, that the  
32          commission considers necessary or convenient for the corporate  
33          purpose for which the bonds are issued; or

34                (3) issued in exchange for like principal amounts of  
35          other obligations of the authority, whether matured or unmatured.  
36          (Acts 63rd Leg., R.S., Ch. 379, Sec. 8 (part).)

37                               Source Law

38          Sec. 8. . . . Such bonds may either be (1) sold  
39          for cash, at public or private sale, at such price or

1 prices as the commission shall determine, . . . (2)  
2 issued on such terms as the commission shall determine  
3 in exchange for property of any kind, real, personal,  
4 or mixed or any interest therein which the commission  
5 shall deem necessary or convenient for any such  
6 corporate purposes; or (3) issued in exchange for like  
7 principal amounts of other obligations of the  
8 authority, matured or unmatured. . . .

9 Revisor's Note

10 (1) Section 8, Chapter 379, Acts of the 63rd  
11 Legislature, Regular Session, 1973, provides that  
12 authority bonds or notes may be sold "at public or  
13 private sale." The revised law omits the quoted  
14 language because it duplicates in substance Section  
15 1201.022(a)(3)(A), Government Code.

16 (2) Section 8, Chapter 379, Acts of the 63rd  
17 Legislature, Regular Session, 1973, provides that  
18 authority bonds or notes may be sold "at such price or  
19 prices as the commission shall determine." The  
20 revised law omits the quoted language because it is  
21 superseded by general law. Section 1201.022,  
22 Government Code, as amended in 2001, provides that an  
23 issuer may sell public securities "under the terms  
24 determined by the governing body of the issuer to be in  
25 the issuer's best interests."

26 (3) Section 8, Chapter 379, Acts of the 63rd  
27 Legislature, Regular Session, 1973, refers to  
28 "property of any kind, real, personal, or mixed." The  
29 revised law omits the reference to "real, personal, or  
30 mixed" because under Section 311.005(4), Government  
31 Code (Code Construction Act), "property" includes both  
32 real and personal property, and "mixed" property is  
33 property consisting of both real and personal  
34 property.

35 Revised Law

36 Sec. 5012.0204. DEPOSIT OF PROCEEDS. The proceeds of sale  
37 of authority bonds shall be deposited in one or more banks or trust  
38 companies, and shall be paid out according to the terms on which the

1 authority and the purchasers of the bonds agree. (Acts 63rd Leg.,  
2 R.S., Ch. 379, Sec. 8 (part).)

3 Source Law

4 Sec. 8. . . . The proceeds of sale of such bonds  
5 shall be deposited in such bank or banks or trust  
6 company or trust companies, and shall be paid out  
7 pursuant to such terms and conditions, as may be agreed  
8 on between the authority and the purchasers of such  
9 bonds. . . .

10 Revisor's Note

11 Section 8, Chapter 379, Acts of the 63rd  
12 Legislature, Regular Session, 1973, refers to the  
13 "terms and conditions" under which proceeds of the  
14 sale of authority bonds shall be paid out. The revised  
15 law omits "conditions" because the meaning of  
16 "conditions" is included in the meaning of "terms."

17 Revised Law

18 Sec. 5012.0205. RESOLUTION PROVISIONS. (a) A resolution  
19 authorizing bonds may contain provisions approved by the commission  
20 that are not inconsistent with this chapter, including provisions:

21 (1) reserving the right to redeem the bonds or  
22 requiring the redemption of the bonds, at a time, in an amount, and  
23 at a price, not to exceed 105 percent of the principal amount of the  
24 bonds, plus accrued interest;

25 (2) providing for the setting aside of sinking funds  
26 or reserve funds and the regulation and disposition of those funds;

27 (3) securing the payment of the principal of and  
28 interest on the bonds and of the sinking fund or reserve fund  
29 payments associated with the bonds by pledging:

30 (A) all or any part of the gross or net revenue  
31 subsequently received by the authority with respect to the property  
32 to be acquired or constructed with the bonds or the proceeds of the  
33 bonds; or

34 (B) all or any part of the gross or net revenue  
35 subsequently received by the authority from any source;

36 (4) securing the payment of the principal of and

1 interest on the bonds by pledging taxes;

2 (5) prescribing the purposes to which the bonds or any  
3 bonds subsequently issued, or the proceeds of the bonds, may be  
4 applied;

5 (6) agreeing to set and collect rates and charges  
6 sufficient to produce revenue adequate to:

7 (A) pay all expenses necessary to the operation,  
8 maintenance, and replacement of and additions to the authority's  
9 property;

10 (B) pay the principal of, and the interest and  
11 premium, if any, on bonds issued under this chapter when the bonds  
12 become due and payable;

13 (C) pay all sinking fund or reserve fund payments  
14 for those bonds out of those revenues as and when they become due  
15 and payable;

16 (D) fulfill the terms of any agreements made with  
17 the holders of the bonds or with any person on their behalf; and

18 (E) discharge all other lawful obligations of the  
19 authority as and when the obligations become due;

20 (7) prescribing limitations on the issuance of  
21 additional bonds and subordinate lien bonds and on the agreements  
22 that may be made with the purchasers and successive holders of those  
23 bonds;

24 (8) regarding the construction, extension,  
25 improvement, reconstruction, operation, maintenance, and repair of  
26 the authority's properties and the carrying of insurance on all or  
27 any part of those properties covering loss, damage, or loss of use  
28 and occupancy resulting from specified risks;

29 (9) setting the procedure by which the authority may  
30 change the terms of a contract with the bondholders, the amount of  
31 bonds the holders of which must consent to that change, and the  
32 manner in which the consent may be given; and

33 (10) providing for the execution and delivery by the  
34 authority to a bank or trust company authorized by law to accept

1 trusts, or to the United States or any officer of the United States,  
2 of indentures and agreements for the benefit of the bondholders  
3 setting forth any of the agreements authorized by this chapter to be  
4 made with or for the benefit of the bondholders and any other  
5 provisions that are customary in such indentures or agreements.

6 (b) A provision authorized by this section that is contained  
7 in a bond resolution is part of the contract between the authority  
8 and the bondholders. (Acts 63rd Leg., R.S., Ch. 379, Sec. 8 (part).)

9 Source Law

10 Sec. 8. . . . Any resolution or resolutions  
11 authorizing any bonds may contain provisions, which  
12 shall be part of the contract between the authority and  
13 the holders thereof from time to time:

14 (a) reserving the right to redeem such bonds or  
15 requiring the redemption of such bonds, at such time or  
16 times, in such amounts and at such prices, not  
17 exceeding 105 percent of the principal amount thereof,  
18 plus accrued interest, as may be provided;

19 (b) providing for the setting aside of sinking  
20 funds or reserve funds and the regulation and  
21 disposition thereof;

22 (c) pledging to secure the payment of the  
23 principal of and interest on such bonds and of the  
24 sinking fund or reserve fund payments agreed to be made  
25 in respect of such bonds all or any part of the gross or  
26 net revenues thereafter received by the authority in  
27 respect of the property, real, personal, or mixed, to  
28 be acquired and/or constructed with such bonds or the  
29 proceeds thereof, or all or any part of the gross or  
30 net revenues thereafter received by the authority from  
31 whatever source derived or pledging taxes to secure  
32 the payment of the principal of and interest on such  
33 bonds, . . .

34 (d) prescribing the purposes to which such bonds  
35 or any bonds thereafter to be issued, or the proceeds  
36 thereof, may be applied;

37 (e) agreeing to fix and collect rates and  
38 charges sufficient to produce revenues adequate to pay  
39 (1) all expenses necessary to the operation and  
40 maintenance and replacements and additions to the  
41 properties and facilities of the authority; (2) the  
42 principal of, and the interest and premium, if any, on  
43 bonds issued under this Act as and when the same became  
44 due and payable; (3) all sinking fund and/or reserve  
45 fund payments agreed to be made in respect of any such  
46 bonds out of such revenues as and when the same became  
47 due and payable; and to fulfill the terms of any  
48 agreements made with the holders of such bonds and/or  
49 with any person on their behalf and to discharge all  
50 other lawful obligations of the authority as and when  
51 the same become due;

52 (f) prescribing limitations upon the issuance  
53 of additional bonds and subordinate lien bonds and  
54 upon the agreements which may be made with the  
55 purchasers and successive holders thereof;

56 (g) with regard to the construction, extension,  
57 improvement, reconstruction, operation, maintenance,  
58 and repair of the properties of the authority and

1 carrying of insurance on all or any part of said  
2 properties covering loss or damage or loss of use and  
3 occupancy resulting from specified risks;

4 (h) fixing the procedure, if any, by which, if  
5 the authority shall so desire, the terms of any  
6 contract with the holders of such bonds may be amended  
7 or abrogated, the amount of bonds the holders of which  
8 must consent thereto, and the manner in which such  
9 consent may be given;

10 (i) for the execution and delivery by the  
11 authority to a bank or trust company authorized by law  
12 to accept trusts, or to the United States of America or  
13 any officer or agency thereof, of indentures and  
14 agreements for the benefit of the holders of such bonds  
15 and such other provisions as may be customary in such  
16 indentures or agreements; and

17 (j) such other provisions, not inconsistent  
18 with the provisions of this Act, as the commission may  
19 approve.

20 . . .

21 Revisor's Note

22 (1) Section 8, Chapter 379, Acts of the 63rd  
23 Legislature, Regular Session, 1973, provides that  
24 provisions of the resolution authorizing bonds are  
25 "part of the contract between the authority and the  
26 holders thereof from time to time." The revised law  
27 omits "from time to time" because, to the extent the  
28 phrase modifies "the contract [made]," the phrase can  
29 be omitted for the reason stated in Revisor's Note (2)  
30 to Section 5012.0057, and to the extent the phrase  
31 modifies "the holders [of authority bonds],"  
32 "bondholder" includes anyone holding a bond at any  
33 time the statute is read.

34 (2) Section 8(c), Chapter 379, Acts of the 63rd  
35 Legislature, Regular Session, 1973, refers to  
36 "property, real, personal, or mixed." The revised law  
37 omits the reference to "real, personal, or mixed" for  
38 the reason stated in Revisor's Note (3) to Section  
39 5012.0203.

40 (3) Section 8(e), Chapter 379, Acts of the 63rd  
41 Legislature, Regular Session, 1973, refers to the  
42 authority's "properties and facilities." The revised  
43 law omits "facilities" as included in the meaning of  
44 "properties."

1           (4) Section 8(i), Chapter 379, Acts of the 63rd  
2       Legislature, Regular Session, 1973, refers to the  
3       "United States of America or any . . . agency  
4       thereof." The revised law omits the reference to an  
5       agency of the United States because under Section  
6       311.005(9), Government Code (Code Construction Act),  
7       "United States" includes an agency of the United  
8       States.

9                               Revised Law

10       Sec. 5012.0206. BOND ANTICIPATION NOTES.       (a)       The  
11       commission may declare an emergency because money is not available  
12       to meet any of the authority's needs, including to pay the principal  
13       of and interest on authority bonds.

14       (b) Bond anticipation notes may bear interest at a rate not  
15       to exceed 10 percent and must mature not later than one year after  
16       the date of issuance.

17       (c) Bond anticipation notes issued by the authority must be  
18       taken up with the proceeds of the bonds, or the bonds may be issued  
19       and delivered in exchange for the bond anticipation notes. (Acts  
20       63rd Leg., R.S., Ch. 379, Sec. 8 (part).)

21                               Source Law

22       Sec. 8. . . .  
23       The board may declare an emergency in the matter  
24       of funds not being available to pay principal of and  
25       interest on any bonds of the district or to meet any  
26       other needs of the district. Bond anticipation notes  
27       may bear interest at any rate or rates not to exceed 10  
28       percent and shall mature within one year of their date.  
29       The bond anticipation notes so issued will be taken up  
30       with the proceeds of bonds, or the bonds may be issued  
31       and delivered in exchange for and in substitution of  
32       such notes.  
33       . . .

34                               Revisor's Note

35       (1) Section 8, Chapter 379, Acts of the 63rd  
36       Legislature, Regular Session, 1973, refers to the  
37       "board" and the "district." The revised law  
38       substitutes "commission" and "authority" for the  
39       quoted language for the reason stated in the revisor's

1 note to Section 5012.0053.

2 (2) Section 8, Chapter 379, Acts of the 63rd  
3 Legislature, Regular Session, 1973, refers to the  
4 district's "funds." The revised law substitutes  
5 "money" for "funds" for the reason stated in Revisor's  
6 Note (1) to Section 5012.0154.

7 (3) Section 8, Chapter 379, Acts of the 63rd  
8 Legislature, Regular Session, 1973, provides that  
9 bonds may be "issued and delivered in exchange for and  
10 in substitution of" bond anticipation notes. The  
11 revised law omits the references to "substitution"  
12 because, in context, "substitution" is included in the  
13 meaning of "exchange."

14 Revised Law

15 Sec. 5012.0207. REFUNDING BONDS. (a) The authority may  
16 make and issue bonds for the purpose of refunding or refinancing  
17 outstanding bonds authorized and issued by the authority under this  
18 chapter or other law and the interest and any premium on the bonds  
19 to maturity or on any earlier redemption date specified in the  
20 resolution authorizing the issuance of the refunding bonds.

21 (b) Refunding bonds issued by the authority may:

22 (1) be issued to refund more than one series of  
23 outstanding bonds;

24 (2) combine the pledges of the outstanding bonds for  
25 the security of the refunding bonds; or

26 (3) be secured by other or additional revenue.

27 (c) The provisions of this chapter regarding the issuance of  
28 bonds, the terms and provisions of bonds, and the remedies of the  
29 bondholders apply to refunding bonds issued by the authority.

30 (d) The comptroller shall register the refunding bonds  
31 issued by the authority on the surrender and cancellation of the  
32 bonds to be refunded.

33 (e) Instead of issuing bonds to be registered on the  
34 surrender and cancellation of the bonds to be refunded, the



1 authority, in the resolution authorizing the issuance of refunding  
2 bonds, may provide for the sale of the refunding bonds and the  
3 deposit of the proceeds at the places at which the bonds to be  
4 refunded are payable. In that case, the refunding bonds may be  
5 issued in an amount sufficient to pay the interest and premium, if  
6 any, on the bonds to be refunded to the bonds' maturity date or  
7 specified earlier redemption date, and the comptroller shall  
8 register the refunding bonds without the concurrent surrender and  
9 cancellation of the bonds to be refunded.

10 (f) The authority may also refund outstanding bonds in the  
11 manner provided by Chapters 60-63, Water Code. (Acts 63rd Leg.,  
12 R.S., Ch. 379, Sec. 8 (part).)

#### 13 Source Law

##### 14 Sec. 8. . . .

15 The authority is authorized to make and issue  
16 bonds for the purpose of refunding or refinancing any  
17 outstanding bonds or notes authorized and issued by  
18 the authority pursuant to this Act or other law (herein  
19 called "bond") and the interest and premium, if any,  
20 thereon to maturity or on any earlier redemption date  
21 specified in the resolution authorizing the issuance  
22 of the refunding bonds. Such refunding bonds may be  
23 issued to refund more than one series of outstanding  
24 bonds, may combine the pledges of the outstanding  
25 bonds for the security of the refunding bonds or may be  
26 secured by other or additional revenues. All  
27 provisions of this Act with reference to the issuance  
28 of bonds, the terms and provisions thereof, their  
29 approval by the attorney general, and the remedies of  
30 the bondholders shall be applicable to refunding  
31 bonds. Refunding bonds shall be registered by the  
32 comptroller on surrender and cancellation of the bonds  
33 to be refunded, but in lieu thereof, the resolution  
34 authorizing the issuance of refunding bonds may  
35 provide that they shall be sold and the proceeds  
36 thereof deposited at the places at which the original  
37 bonds are payable, in which case the refunding bonds  
38 may be issued in an amount sufficient to pay the  
39 principal, interest, and premium, if any, on the  
40 original bonds to their maturity date or specified  
41 earlier redemption date, and the comptroller will  
42 register them without concurrent surrender and  
43 cancellation of the original bonds. The authority may  
44 also refund any outstanding bonds in the manner and to  
45 the extent provided by Chapters 60-63, Water Code.

46 . . .

#### 47 Revisor's Note

48 Section 8, Chapter 379, Acts of the 63rd  
49 Legislature, Regular Session, 1973, refers to the  
50 "approval by the attorney general" of refunding bonds.

1 The revised law omits the quoted language because it is  
2 superseded by Section 1202.003, Government Code,  
3 enacted in 1987 as Section 3.002(a), Chapter 53, Acts  
4 of the 70th Legislature, 2nd Called Session (Article  
5 717k-8, Vernon's Texas Civil Statutes). Throughout  
6 this chapter, the revised law omits law that is  
7 superseded by Chapter 1202, Government Code, or that  
8 duplicates law contained in that chapter. Chapter  
9 1202, Government Code, applies to authority bonds  
10 under Sections 1202.001 and 1202.003, Government Code.

11 Revisor's Note  
12 (End of Subchapter)

13 (1) Section 8, Chapter 379, Acts of the 63rd  
14 Legislature, Regular Session, 1973, provides that the  
15 net effective interest rate of authority bonds may not  
16 exceed 10 percent per year. The revised law omits that  
17 provision as superseded by other law. Chapter 3, Acts  
18 of the 61st Legislature, Regular Session, 1969  
19 (Article 717k-2, Vernon's Texas Civil Statutes), now  
20 Chapter 1204, Government Code, established a maximum  
21 interest rate for public securities. Section  
22 1204.006, Government Code, reflecting the 1981  
23 amendment of Article 717k-2 by Section 1, Chapter 61,  
24 Acts of the 67th Legislature, Regular Session, permits  
25 a public agency to issue public securities at any net  
26 effective interest rate of 15 percent or less. Section  
27 1204.006, Government Code, applies to authority bonds  
28 under Sections 1204.001 and 1204.002, Government Code.

29 The omitted law reads:

30 Sec. 8. . . . [Such bonds may either  
31 be (1) sold for cash, . . . at such price or  
32 prices as the commission shall determine,]  
33 provided that the net effective interest  
34 rate, calculated in accordance with Chapter  
35 3, Acts of the 61st Legislature, 1969, as  
36 amended (Article 717k-2, Vernon's Texas  
37 Civil Statutes), as now or hereafter  
38 amended shall not exceed 10 percent; or  
39 . . . [as such resolution or resolutions

1           may provide.] . . .

2           (2) Section 8, Chapter 379, Acts of the 63rd  
3       Legislature, Regular Session, 1973, provides that a  
4       resolution authorizing the issuance of bonds by the  
5       authority may specify the date or dates of the bonds  
6       and the date of maturity of the bonds. The revised law  
7       omits the provision because it duplicates in substance  
8       provisions of Sections 1201.021, 1201.022, and  
9       1201.024, Government Code, which provide for the  
10      characteristics, terms of issuance, and form of a  
11      public security. The omitted law reads:

12                   Sec. 8. . . . [All such bonds] . . .  
13                   shall bear such date or dates, mature at  
14                   such time or times, . . . as such resolution  
15                   or resolutions may provide. . . .

16           (3) Section 8, Chapter 379, Acts of the 63rd  
17      Legislature, Regular Session, 1973, provides that  
18      authority bonds may bear interest. The revised law  
19      omits that provision because it duplicates in  
20      substance Section 1201.021(2), Government Code. The  
21      omitted law reads:

22                   Sec. 8. . . . [All such bonds . . .  
23                   shall] . . . bear interest . . . [as such  
24                   resolution or resolutions may provide.]  
25                   . . .

26           (4) Section 8, Chapter 379, Acts of the 63rd  
27      Legislature, Regular Session, 1973, provides that  
28      interest on authority bonds may be payable annually,  
29      semiannually, or otherwise, as provided by the bond  
30      resolution. The revised law omits that provision  
31      because it is superseded by Section 1201.021(5),  
32      Government Code (enacted as Section 3, Bond Procedures  
33      Act of 1981 (Article 717k-6, Vernon's Texas Civil  
34      Statutes)), which provides in part that a public  
35      security may be payable at the times and in the amounts  
36      specified by the governing body of the issuer. The  
37      omitted law reads:

1           Sec. 8. . . . [All such bonds . . .  
2           shall . . . bear interest] . . . payable  
3           annually, semiannually or otherwise, . . .  
4           [as such resolution or resolutions may  
5           provide.] . . .

6           (5) Section 8, Chapter 379, Acts of the 63rd  
7           Legislature, Regular Session, 1973, provides that  
8           authority bonds may be in the denominations provided  
9           by the bond resolution. The revised law omits that  
10          provision because it duplicates in substance Section  
11          1201.021(1), Government Code. The omitted law reads:

12           Sec. 8. . . . [All such bonds . . .  
13           shall] . . . be in such denominations,  
14           . . . [as such resolution or resolutions  
15           may provide.] . . .

16          (6) Section 8, Chapter 379, Acts of the 63rd  
17          Legislature, Regular Session, 1973, provides that a  
18          resolution authorizing the issuance of bonds by the  
19          authority may specify the form of the bonds. The  
20          revised law omits the provision because it duplicates  
21          in substance or is superseded by Sections 1201.021 and  
22          1201.024, Government Code, which provide for the form  
23          and characteristics of a public security. The omitted  
24          law reads:

25           Sec. 8. . . . [All such bonds . . .  
26           shall] . . . be in such form, either coupon  
27           or registered, . . . [as such resolution or  
28           resolutions may provide.] . . .

29          (7) Section 8, Chapter 379, Acts of the 63rd  
30          Legislature, Regular Session, 1973, describes  
31          registration and exchange privileges for authority  
32          bonds. The revised law omits those provisions because  
33          they duplicate in substance Section 1201.022(a)(4),  
34          Government Code, and part of Section 1201.024,  
35          Government Code. Section 1201.022(a)(4), Government  
36          Code, provides that a public security may be issued  
37          with specified characteristics, on specified terms, or  
38          in a specified manner, and that law is sufficient  
39          authority for authority bonds to be exchangeable for

1 bonds of another denomination. Section 1201.024,  
2 Government Code, provides that a public security may  
3 be registrable as to principal and interest or only as  
4 to principal and that an issuer may provide that coupon  
5 bonds are exchangeable for registered bonds and vice  
6 versa. The omitted law reads:

7           Sec. 8. . . . [All such bonds . . .  
8           shall] . . . carry such registration  
9           privileges as to principal only or as to  
10          both principal and interest, and as to  
11          exchange of coupon bonds for registered  
12          bonds or vice versa, and exchange of bonds  
13          of one denomination for bonds of other  
14          denominations, . . . [as such resolution or  
15          resolutions may provide.] . . .

16           (8) Section 8, Chapter 379, Acts of the 63rd  
17          Legislature, Regular Session, 1973, provides that a  
18          resolution that authorizes the issuance of authority  
19          bonds may specify the manner of execution of the bonds  
20          issued. The revised law omits that provision because  
21          it duplicates in substance Section 1201.026,  
22          Government Code, which provides for execution of a  
23          public security. The omitted law reads:

24           Sec. 8. . . . [All such bonds . . .  
25           shall] . . . be executed in such manner and  
26           . . . [as such resolution or resolutions  
27           may provide.] . . .

28           (9) Section 8, Chapter 379, Acts of the 63rd  
29          Legislature, Regular Session, 1973, provides that  
30          authority bonds may be payable at the place or places  
31          inside or outside the state as provided by the bond  
32          resolution. The revised law omits that provision  
33          because Section 1201.021(5)(C), Government Code,  
34          provides that a public security may be payable at a  
35          specified place or places. The omitted law reads:

36           Sec. 8. . . . [All such bonds . . .  
37           shall] . . . be payable at such place or  
38           places within or without the State of Texas,  
39           [as such resolution or resolutions may  
40           provide.] . . .

41           (10) Section 8, Chapter 379, Acts of the 63rd

1       Legislature, Regular Session, 1973, provides that  
2       before bonds may be sold by the authority, a certified  
3       copy of the proceedings for the issuance of the bonds  
4       and other information must be submitted to the  
5       attorney general. It also provides that if the  
6       attorney general finds that the bonds have been issued  
7       in accordance with law and approves the bonds, the  
8       attorney general shall execute a certificate to that  
9       effect. In addition, it requires that the certificate  
10      be filed and recorded in the office of the comptroller  
11      and prohibits the issuance of bonds until they have  
12      been registered by the comptroller. Section 8 also  
13      requires the comptroller to register the bonds if the  
14      attorney general files with the comptroller the  
15      attorney general's certificate approving the bonds and  
16      the proceedings for the issuance of the bonds. The  
17      revised law omits those provisions as duplicative of  
18      or superseded by Chapter 1202, Government Code,  
19      enacted as Article 3, Chapter 53, Acts of the 70th  
20      Legislature, 2nd Called Session, 1987 (Article 717k-8,  
21      Vernon's Texas Civil Statutes). Section 1202.003(a),  
22      Government Code, requires bonds to be submitted to the  
23      attorney general. Section 1202.003(b), Government  
24      Code, provides for approval of the bonds by the  
25      attorney general and requires the attorney general to  
26      submit the approved bonds to the comptroller for  
27      registration. Section 1202.005, Government Code,  
28      requires registration of the bonds by the comptroller.  
29      The omitted law reads:

30                   Sec. 8. . . .

31               Before any bonds shall be sold or  
32               exchanged or substituted by the authority,  
33               a certified copy of the proceedings of the  
34               issuance thereof, including the form of  
35               such bonds, together with any other  
36               information which the attorney general of  
37               the State of Texas may require, shall be  
38               submitted to the attorney general, and if he

1 shall find that such bonds have been issued  
2 in accordance with law, and if he shall  
3 approve such bonds, he shall execute a  
4 certificate to that effect which shall be  
5 filed in the office of the comptroller of  
6 the State of Texas and be recorded in a  
7 record kept for that purpose. No bonds  
8 shall be issued until the same shall have  
9 been registered by the comptroller, who  
10 shall so register the same if the attorney  
11 general shall have filed with the  
12 comptroller his certificate approving the  
13 bonds and the proceedings for the issuance  
14 thereof as hereinabove provided.

15 . . .  
16 If such bonds have been authorized and . . .  
17 made in compliance with law, the attorney  
18 general shall approve the bonds and . . .  
19 the bonds shall then be registered by the  
20 comptroller of public accounts. . . .

21 (11) Section 8, Chapter 379, Acts of the 63rd  
22 Legislature, Regular Session, 1973, provides that  
23 after approval and registration, authority bonds are  
24 incontestable and binding obligations. The revised  
25 law omits that provision as duplicative of or  
26 impliedly repealed by Section 1202.006, Government  
27 Code, (enacted as Section 3.002(d), Chapter 53, Acts  
28 of the 70th Legislature, 2nd Called Session, 1987  
29 (Article 717k-8, Vernon's Texas Civil Statutes)).  
30 Section 1202.006, Government Code, provides that after  
31 approval and registration, bonds are incontestable and  
32 binding obligations. The omitted law reads:

33 Sec. 8. . . .  
34 All bonds approved by the attorney  
35 general as aforesaid, and registered by the  
36 comptroller as aforesaid, and issued in  
37 accordance with the proceedings so approved  
38 shall be valid and binding obligations of  
39 the authority and shall be incontestable  
40 for any cause from and after the time of  
41 such registration.

42 . . .

43 (12) Section 8, Chapter 379, Acts of the 63rd  
44 Legislature, Regular Session, 1973, details various  
45 procedures regarding approval of bond contracts and  
46 proceedings by the attorney general. The revised law  
47 omits the portion of Section 8 regarding the validity  
48 and incontestability of a contract the proceeds of

1       which are pledged to the payment of a bond as  
2       superseded by Section 1202.006, Government Code  
3       (enacted as Section 3.002(d), Chapter 53, Acts of the  
4       70th Legislature, 2nd Called Session, 1987 (Article  
5       717k-8, Vernon's Texas Civil Statutes)). Section  
6       1202.006, Government Code, provides that after  
7       approval and registration of the bond, the bond and  
8       contract are not contestable for any reason. The  
9       omitted law reads:

10               Sec. 8. . . .

11               If any bonds recite that they are  
12               secured by a pledge of the proceeds of a  
13               contract, lease, sale or other agreement  
14               (herein called "contract"), a copy of such  
15               contract and the proceedings of the  
16               contracting parties will also be submitted  
17               to the attorney general. [If such bonds  
18               have been authorized and] such contracts  
19               [made in compliance with law, the attorney  
20               general shall approve the bonds and]  
21               contracts, and . . . . When so approved,  
22               such bonds and the contracts shall be valid  
23               and binding and shall be incontestable for  
24               any cause from and after the time of such  
25               registration.

26               . . .

27               (13) Section 8, Chapter 379, Acts of the 63rd  
28       Legislature, Regular Session, 1973, provides that  
29       authority bonds are investment securities within the  
30       meaning of the Uniform Commercial Code. The revised  
31       law omits the provision because it duplicates in  
32       substance Section 1201.041(2), Government Code. The  
33       omitted law reads:

34               Sec. 8. . . .

35               All bonds issued by the authority  
36               pursuant to the provisions of this Act shall  
37               constitute investment securities within the  
38               meaning of the Uniform Commercial  
39               Code. . . .

40               (14) Section 8, Chapter 379, Acts of the 63rd  
41       Legislature, Regular Session, 1973, provides that the  
42       act, without reference to other statutes, is full  
43       authority for the authorization and issuance of bonds  
44       and that no other law with regard to the authorization



1 or issuance of obligations or the deposit of the  
2 proceeds of obligations, or in any way impeding or  
3 restricting the carrying out of the acts authorized by  
4 the act to be done, applies to any proceedings taken  
5 under the act or acts done pursuant to the act.

6 The revised law omits the statement that the act,  
7 without reference to other statutes, is full authority  
8 for the authorization and issuance of bonds because it  
9 is unnecessary. The operative provisions of the act  
10 are fully effective on their own terms.

11 The revised law omits as unnecessary and  
12 potentially misleading the statement that no other law  
13 with regard to the authorization or issuance of  
14 obligations or the deposit of the proceeds of  
15 obligations, or in any way impeding or restricting the  
16 carrying out of the acts authorized by the act to be  
17 done, applies to any proceedings taken under the act or  
18 acts done pursuant to the act. An accepted general  
19 principle of statutory construction requires a statute  
20 to be given cumulative effect with other statutes  
21 unless it provides otherwise or unless the statutes  
22 are in conflict. To the extent the statement means  
23 that the act prevails over other law in existence at  
24 the time the act became effective and with which the  
25 act conflicts, the statement merely restates general  
26 rules of statutory construction. To the extent the  
27 statement means the act prevails over future  
28 enactments of the legislature that may conflict with  
29 the act, the statement is misleading in that one  
30 session of the legislature may not bind a future  
31 session of the legislature. Conflicts between the  
32 revised law (which is a local law) and other laws are  
33 governed by Section 311.026, Government Code (Code  
34 Construction Act). That section provides that if

1       there is a conflict between a general provision of law  
2       and a special or local provision, the special or local  
3       provision prevails unless the general provision is the  
4       later enactment and the manifest intent is that the  
5       general provision prevail. The omitted law reads:

6               Sec. 8. . . .

7               This Act, without reference to other  
8       statutes of the State of Texas, shall  
9       constitute full authority for the  
10      authorization and issuance of bonds  
11      hereunder, and no other act or law with  
12      regard to the authorization or issuance of  
13      obligations or the deposit of the proceeds  
14      thereof, or in any way impeding or  
15      restricting the carrying out of the acts  
16      herein authorized to be done shall be  
17      construed as applying to any proceedings  
18      taken hereunder or acts done pursuant  
19      hereto.

20                               Revisor's Note  
21                               (End of Chapter)

22               (1) Section 2, Chapter 812, Acts of the 66th  
23      Legislature, Regular Session, 1979, and Section 3,  
24      Chapter 56, Acts of the 67th Legislature, Regular  
25      Session, 1981, recite legislative findings regarding  
26      procedural requirements for legislation affecting the  
27      authority under the constitution and other laws and  
28      rules, including proper legal notice and the filing of  
29      recommendations. The revised law omits those  
30      provisions as executed. The omitted law reads:

31               [Acts 66th Leg., R.S., Ch. 812]

32               Sec. 2. It is determined and found  
33      that a proper and written notice of the  
34      intention to introduce this Act setting  
35      forth the general substance of this Act has  
36      been published at least 30 days and not more  
37      than 90 days prior to the introduction of  
38      this Act in the Legislature of Texas in a  
39      newspaper having general circulation in  
40      Jefferson County, Texas; that a copy of such  
41      notice and a copy of this Act have been  
42      delivered to the Governor of Texas who has  
43      submitted such notice and Act to the Texas  
44      Department of Water Resources, and said  
45      Texas Department of Water Resources has  
46      filed its recommendations as to this Act  
47      with the governor, lieutenant governor, and  
48      speaker of the house of representatives  
49      within 30 days from the date such notice and  
50      Act were received by the Texas Department of  
51      Water Resources; and that all the

1 requirements and provisions of Article XVI,  
2 Section 59d, of the Texas Constitution have  
3 been fulfilled and accomplished.

4 [Acts 67th Leg., R.S., Ch. 56]

5 Sec. 3. Proof of publication of the  
6 constitutional notice required in the  
7 enactment hereof under the provisions of  
8 Article XVI, Section 59(d), of the Texas  
9 Constitution has been made in the manner  
10 provided therein, and a copy of said notice  
11 and the bill as originally introduced have  
12 been delivered to the Governor of the State  
13 of Texas as required by such constitutional  
14 provision, and such notice and delivery are  
15 hereby found and declared to be proper and  
16 sufficient to satisfy such requirement.

17 (2) Section 3, Chapter 812, Acts of the 66th  
18 Legislature, Regular Session, 1979, provides that  
19 Chapter 812 does not apply to or affect any litigation  
20 instituted before the effective date of Chapter 812  
21 that questions the legality of any acts taken or  
22 proceedings had by the commission or the authority  
23 before that effective date. The revised law omits the  
24 provision as executed and because Section 311.031(a),  
25 Government Code (Code Construction Act), provides that  
26 the reenactment, revision, amendment, or repeal of a  
27 statute does not affect matters occurring before or  
28 pending on the reenactment, revision, amendment, or  
29 repeal of the statute. The omitted law reads:

30 Sec. 3. This Act does not apply to or  
31 affect any litigation instituted prior to  
32 the effective date of this Act which  
33 questions the legality of any acts taken or  
34 proceedings had by the commission or the  
35 authority prior to said effective date.

36 (3) Section 2, Chapter 56, Acts of the 67th  
37 Legislature, Regular Session, 1981, provides that the  
38 act is severable. The revised law omits that provision  
39 because the same result is produced by application of  
40 Section 311.032, Government Code (Code Construction  
41 Act), which provides that a provision of a statute is  
42 severable from each other provision of the statute  
43 that can be given effect. The omitted law reads:

44 Sec. 2. In case any one or more of the

1 provisions, clauses, or words of this Act or  
2 the application thereof to any situation or  
3 circumstance shall for any reason be held to  
4 be invalid or unconstitutional, such  
5 invalidity or unconstitutionality shall not  
6 affect any other provisions, clauses, or  
7 words of this Act or the application thereof  
8 to any other situation or circumstance, and  
9 it is intended that this Act shall be  
10 severable and shall be construed and  
11 applied as if any such invalid or  
12 unconstitutional section, provision,  
13 clause, or word had not been included  
14 herein.